

**CORRECTED FISCAL NOTE**  
**SB 72 - HB 116**

April 3, 2007

**SUMMARY OF BILL:** Creates the Children's Act for Clean Indoor Air of 2007 which prohibits smoking in all public places and enclosed areas within places of employment that permit the presence of individuals under the age of 18. Creates a Class B misdemeanor for noncompliance with the Act.

**ESTIMATED FISCAL IMPACT:**

On April 2, 2007, we issued a fiscal note on this bill indicating an *increase in recurring state expenditures of \$891,200, one-time state expenditures of \$31,200, recurring local govt. expenditures of \$445,600, one-time local govt. expenditures of \$25,000, and an increase in local govt. revenues of \$545,600.* Based on information received from the Department of Finance and Administration, the fiscal impact of the bill is as follows:

**(Corrected)**

**Increase State Expenditures – Not Significant**

**Increase Local Govt. Expenditures\* - \$25,000 One-Time**

**Increase Local Govt. Revenues – Not Significant**

Assumptions:

- The Department of Health will not incur a significant increase in expenditures to enforce the provisions of the bill. The Department will handle enforcement responsibilities through monitoring during its regular licensure and permitting inspection activities in health care facilities, hotel and restaurant establishments and through complaint investigations of regulated facilities.
- Local governments will need signage for most locally owned or operated government buildings. Such is estimated to be a one-time \$25,000 increase of local govt. expenditures.
- There will not be a significant increase in local government expenditures or revenues for the creation of a fine only Class B misdemeanor.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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